

Expedited Bill No. 21-05  
Concerning: Condominiums -  
Conversion of Rental Housing -  
Extended Tenancies  
Revised: July 26, 2005 Draft No. 4  
Introduced: July 18, 2005  
Enacted: July 26, 2005  
Executive: August 4, 2005  
Effective: August 4, 2005  
Sunset Date: None  
Ch. 20, Laws of Mont. Co. 2005

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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By: Councilmembers Denis, Perez, Silverman, Subin, Floreen, Leventhal, Andrews, Knapp, and  
Praisner

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### AN EXPEDITED ACT to:

- (1) expand the categories of households that are eligible for certain extended tenancies when certain rental housing is converted to condominiums; ~~[[and]]~~
- (2) clarify the income eligibility requirements for certain extended leases;
- (3) make certain legislative findings; and
- (4) generally amend the law governing conversion of rental housing to condominiums.

By amending

Montgomery County Code  
Chapter 11A, Condominiums  
Section 11A-5, Extended Leases

<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
<b>[Single boldface brackets]</b>	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
<b>[[Double boldface brackets]]</b>	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

*The County Council for Montgomery County, Maryland approves the following Act:*

**Sec. 1. Section 11A-5 is amended as follows:**

**11A. Extended Leases.**

(a) In accordance with the legislative findings and declaration of a rental housing emergency caused by conversions of rental housing [of] to condominiums, [the following] this section is enacted pursuant to authority contained in [section 11-140,] §11-140 of the Real Property Article[:].

(b) Definitions. In this section the following words have the meanings indicated.

(1) [[“Developmentally disabled” has the meaning stated in §7-101 of the Health General Article]] “Disabled individual” means an individual who has a physical or mental impairment that substantially limits one or more of the individual’s major life activities.

(2) “Handicapped citizen” has the meaning stated in §11-137 of the Real Property Article.

(3) “Senior citizen” has the meaning stated in §11-137 of the Real Property Article.

[(a)](c) Life tenancies. [Designated families, as defined in section 11-137, Real Property Article, shall be entitled to an extended lease, beyond the three-year period provided by state law, for a period of no less than the lifetime of all household members who meet the definition of "senior citizen" or "handicapped citizen" as contained in section 11-137, Real Property Article] A household that includes a senior [[citizen, handicapped citizen, or developmentally disabled individual]] citizen or handicapped citizen is entitled to an extended lease for a period of no less than the lifetime of the senior [[citizen, handicapped citizen, or

developmentally disabled individual]] citizen or handicapped citizen if the household meets the income [[limits]] limit established in [[§11-137 of the Real Property Article]] subsection (g) and the senior [[citizen, handicapped citizen, or developmentally disabled individual]] citizen or handicapped citizen has been a member of the household for a period of at least 12 months preceding the giving of notice required by §11-102.1 of the Real Property Article.

[(b)] (d) *Three-year tenancies.* The following tenant households, in the following order of priority, shall be eligible for extended leases of three (3) years as a "designated family," pursuant to the provisions of [section 11-137,] §11-140 of the Real Property Article, subject to the tenant households eligible for life tenancies under section 11A-5(a), and limited to the twenty (20) percent set aside [of section 11-137,] established in §11-137 of the Real Property Article:

(1) [Households which include a senior citizen or handicapped citizen as defined in section 11-137, Real Property Article and meet income requirements, as defined by section 11-137, Real Property Article, where such senior citizen, or handicapped citizen has been a member of the household for less than twelve (12) months preceding the notice required in section 11-102.1, Real Property Article] A household that includes a senior [[citizen, handicapped citizen, or developmentally]] citizen or disabled individual and meets the income [[limits]] limit established in [[§11-137 of the Real Property Article]] subsection (g), regardless of the length of time that the senior [[citizen, handicapped citizen, or developmentally]] citizen or disabled individual has been a member of the household.

(2) [Households which include a senior citizen or handicapped citizen as defined by section 11-137, Real Property Article, but need not meet the annual income requirements of Real Property Article or membership in household requirements of that section] A household that includes a senior [[citizen, handicapped citizen, or developmentally]] citizen or disabled individual, regardless of whether the household meets the income [[limits]] limit established in [[§11-137 of the Real Property Article]] subsection (g) or the length of time that the senior [[citizen, handicapped citizen, or developmentally]] citizen or disabled individual has been a member of the household.

(3) [[All other households [which] that meet]] Any other household that meets the [[annual]] income [[requirements of [section 11-137,] §11-137 of the Real Property Article]] limit established in subsection (g).

[(c)] (e) *Priority*. In the event all members of a class designated herein cannot be accommodated within the twenty (20) percent limitation contained in state law, priority within the class shall be established by seniority in continuous residency in the rental facility; further allocations of opportunities for extended tenancies beyond seniority, and continuous residency may be made by executive regulation.

[(d)] (f) *Extended tenancies*. Extended tenancies under this section are subject to termination rights contained in [section 11-137(f),] §11-137(f) of the Real Property Article.

(g) *Income Limit*. The household income limit under this section is 80% of the median household income of the metropolitan statistical area in

81 which the County is located, as determined by the Secretary of State  
 82 under §11-140 of the Real Property Article.

83 ~~[(e)]~~ ~~[[g)]~~ (h) Regulations. The county executive, by executive regulations  
 84 adopted under method (3) of section 2A-15 of this Code, may provide  
 85 for implementation of this section, including promulgation and  
 86 enforcement of recordation requirements for owners of condominium  
 87 units subject to life tenancies under this section and prohibitions against  
 88 changes of business or leasing practices to circumvent the giving of  
 89 extended tenancies under this section.

90 **Sec. 2. Legislative Findings.**

91 The County Council reaffirms the findings set forth in Section 11A-1of the  
 92 County Code. Specifically, the County Council finds that a rental housing  
 93 emergency exists in the County that is caused in part by the conversion of rental  
 94 housing to condominiums. The County Council's findings are based on its  
 95 understanding of the nature and incidence of condominium conversions that have  
 96 occurred or are expected to occur in the County, the hardship experienced by tenants  
 97 who are displaced when rental housing is converted to condominiums, and the  
 98 scarcity of rental housing in the County.

99 ~~[[Sec. 2.]]~~ **Sec. 3. Expedited Effective Date.**

100 The Council declares that this legislation is necessary for the immediate  
 101 protection of the public interest. This Act takes effect on the date on which it  
 102 becomes law.

103 *Approved:*

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/s/

7/28/05

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Thomas E. Perez, President, County Council

Date

105 *Approved:*

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/s/

8/4/05

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Douglas M. Duncan, County Executive

Date

107 *This is a correct copy of Council action.*

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/s/

8/8/05

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Linda M. Lauer, Clerk of the Council

Date